



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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J. TYLER McCAULEY
AUDITOR-CONTROLLER

October 14, 2003

TO: Supervisor Yvonne Brathwaite Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley *for Maria Qui*
Auditor-Controller

SUBJECT: PROPERTY TAX – MEASURE B IMPLEMENTATION
Trauma/ Emergency/ Bioterrorism

On November 12, 2002, your Board instructed the Auditor-Controller to establish a Measure B Oversight Committee to monitor the collection and expenditure of the property tax revenues. On June 13, 2003, we provided your Board with a status of the Committee's efforts in implementing Measure B. This memorandum is to inform you that the steps needed to implement the Measure B special tax have been completed.

Background

On November 5, 2002, the voters approved Measure B to assess a parcel tax or direct assessment to support emergency, trauma, and bioterrorism activities in Los Angeles County. The voter-approved direct assessment is three cents per square foot per parcel and becomes effective in fiscal year 2003-04.

2003-2004 Property Tax Bill

The Assessor determined the square footage for calculating the new direct assessment. The Auditor-Controller developed the system which calculated the dollar amount of the direct assessment for each parcel and included the assessments with the property tax roll. The Treasurer and Tax Collector (TTC) began mailing property tax bills to County property owners in October 2003. The TTC will collect the assessments, and the Auditor-Controller will deposit the collections into the Measure B Special Revenue Fund.

The Department of Health Services (DHS) is the lead agency for the new tax and will have operational responsibility for authorizing disbursement of Measure B funds as mandated by your Board.

The new direct assessment shows on the annual property tax bill as "TRAUMA/EMERG SRV (866) 587-2863". There is a new DHS 24-hour toll free telephone number and a website at www.ladhs.org/tpa to answer property tax owners' questions regarding the new tax and the types of services to be funded by the tax. There is also an appeal and refund process in place to ensure property owners who disagree with their property's direct assessment can file a claim. The Assessor will investigate square footage discrepancies and, if necessary, the Auditor-Controller will issue refunds.

In addition, my staff will be able to answer questions regarding the new tax.

2003-2004 Budget

As a result of changes to the assessment roll, the revenue estimate continues to change. The Measure B revenue budget approved by your Board for 2003-2004 is \$170 million, based on the Assessor's revenue estimate in June 2003. While the Assessor's revenue estimate is now higher than the earlier estimate and actual collections may also be higher, we are not recommending adjustments to the budgeted revenue amount at this time. We will monitor the Measure B revenue collections closely over the next few months, including tax delinquencies and the impact of appeals by property owners. We will notify your Board of material changes and, if necessary, at a later date, make recommendations to adjust the revenue budget.

Please let me know if you have any questions.

JTM:MMO

c: David E. Janssen, Chief Administrative Officer
Lloyd W. Pellman, County Counsel
Violet Varona-Lukens, Executive Officer
Thomas L. Garthwaite, M.D., Director and Chief Medical Officer
Rick Auerbach, Assessor
Mark Saladino, Treasurer and Tax Collector